

March 19, 2009

The President
The White House
Washington, DC 20500

Dear Mr. President,

With a 10 percent unemployment rate and one of the highest foreclosure rates in the nation, California finds itself at the epicenter of our nation's economic crisis. I saw the numbers illustrated in a very real way yesterday when I visited an encampment of homeless people along the banks of the American River in Sacramento. I listened to their stories and pledged to do what I could to help.

My office has offered to assist Sacramento Mayor Kevin Johnson in his efforts to find a short-term alternative to the illegal camp and ultimately a longer-term solution. The good news in that regard is that the American Recovery and Reinvestment Act (ARRA) of 2009 will provide much-needed assistance to this population. The Homelessness Prevention Fund, provided through the U.S. Department of Housing and Urban Development (HUD), will help keep individuals and families from becoming homeless and help those who are homeless to quickly find stable housing.

California expects to receive \$180 million in these funds as a result of ARRA, with the City of Sacramento's share set at \$2.4 million. I ask that your administration work to see that these funds and accompanying guidelines are released by April 1, 2009, to help people such as those living in tents make their way back to a home.

HUD is in the process of developing language for the program, and funds will follow shortly after that. Services allowed under this program include rental assistance, housing relocation and stabilization services, credit counseling, security or utility deposits, utility payments, moving cost assistance and case management. It is vital that HUD get the ARRA funds out as quickly as possible to assist the families and individuals who need these services.

The people I met this week certainly put faces on that need, and California stands ready to assist you in any way possible to help them.

Sincerely,

Arnold Schwarzenegger